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SD-GOLD

SHANDONG GOLD MINING CO., LTD.

山東黃金礦業股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1787)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

INTERIM RESULTS HIGHLIGHTS OF 2025^{NOTES}

- During the Reporting Period, the Group achieved operating income of RMB56,765.90 million, representing a year-on-year increase of approximately 24.01%;
- During the Reporting Period, the Group achieved profit before tax of RMB5,483.38 million, representing a year-on-year increase of approximately 95.23%;
- During the Reporting Period, the Group's net profit attributable to shareholders of the parent company was RMB2,808.16 million, representing a year-on-year increase of approximately 102.98%;
- During the Reporting Period, the Company's basic earnings per Share and diluted earnings per Share were RMB0.57 per Share, representing a year-on-year increase of approximately 120.11%;
- As at the end of the Reporting Period, the Group's total assets were RMB166,019.14 million, representing an increase of approximately 3.34% as compared with the end of last year; the Group's net assets attributable to shareholders of the parent company were RMB42,268.16 million, representing an increase of approximately 11.83% as compared with the end of last year.
- The Board recommended the payment of an interim dividend of RMB1.80 per 10 Shares (tax inclusive) for the six months ended 30 June 2025.

Notes:

- (1) The net profit attributable to shareholders of the listed company during the Reporting Period as shown in the above table included the interest attributable to the holders of the perpetual bonds of RMB248,029,043.36 during the Reporting Period. After deducting the perpetual bond interest, the net profit attributable to ordinary shareholders of the listed company during the Reporting Period was RMB2,560,128,817.57. The effect of perpetual bonds and their interests is deducted in the calculation of basic earnings per Share and diluted earnings per Share.
- (2) The data of the same period last year in this announcement is the financial data prepared in accordance with the Accounting Standards for Business Enterprises (as defined below). Approved by the Shareholders of the Company at the extraordinary general meeting held on 14 August 2025, the Company has uniformly adopted the Accounting Standards for Business Enterprises for the preparation of financial reports and the disclosure of corresponding financial information starting with the 2025 interim financial report.

The Board is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2025 prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards issued by the Ministry of Finance of the PRC and the specific accounting standards, application guidelines, interpretations and other relevant regulations issued and revised thereafter (collectively the “**Accounting Standards for Business Enterprises**”).

I. FINANCIAL STATEMENTS (FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE ACCOUNTING STANDARDS FOR ENTERPRISES)

In this announcement, unless otherwise indicated in the context, the currency is RMB.

CONSOLIDATED BALANCE SHEET

30 June 2025

Unit: RMB

Items	<i>Notes</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current assets:			
Monetary funds		12,522,686,397.09	11,077,274,906.35
Financial liabilities held for trading		2,942,822,259.29	3,749,373,193.21
Derivative financial assets		22,880,695.29	1,919,103.18
Notes receivable		225,169,658.82	123,886,585.10
Accounts receivable	8	524,669,395.93	493,049,005.61
Receivables financing			80,034.15
Prepayments		569,020,863.64	472,574,999.65
Other receivables		5,097,083,476.84	4,940,701,333.75
Inventories		8,424,835,498.40	6,819,745,616.21
Other current assets		1,228,720,129.55	1,022,644,405.61
Total current assets		<u>31,557,888,374.85</u>	<u>28,701,249,182.82</u>

CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025*

Items	<i>Notes</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Non-Current assets:			
Long-term equity investment		2,524,041,410.49	2,526,932,631.88
Investments in other equity instruments		28,719,822.20	28,719,822.20
Other non-current financial assets		4,453,808,290.20	4,481,600,576.61
Investment real estate		133,914,416.89	132,847,463.01
Fixed assets		49,279,441,206.07	50,826,259,662.77
Construction in progress		14,897,768,848.21	10,604,445,075.41
Right-of-use assets		236,785,430.68	212,065,851.77
Intangible assets		47,008,618,521.89	47,347,838,861.91
Including: Data resources		2,075,885.79	2,350,831.58
Development expenditures		22,091,468.31	17,797,553.43
Goodwill		13,030,104,839.12	13,033,245,227.92
Long-term deferred expenses		77,140,168.50	72,659,747.42
Deferred income tax assets		915,545,373.14	921,755,853.93
Other non-current assets		1,853,270,617.31	1,752,536,677.28
 Total non-current assets		 <u>134,461,250,413.01</u>	 <u>131,958,705,005.54</u>
 Total assets		 <u>166,019,138,787.86</u>	 <u>160,659,954,188.36</u>

CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025*

Items	<i>Notes</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Current liabilities:			
Short-term borrowings		29,386,809,802.18	26,269,496,757.73
Financial liabilities held for trading		752,787,436.91	864,631,222.45
Derivative financial liabilities		42,135,929.02	9,934,794.49
Notes payable		3,280,156,270.42	2,867,623,523.83
Accounts payable	9	14,250,825,787.27	14,099,955,640.58
Advances received		738,872.50	656,585.26
Contract liabilities		779,281,989.56	427,135,295.37
Staff remuneration payables		1,064,249,533.33	626,183,255.77
Taxes payable		1,407,974,435.26	962,099,132.81
Other payables		10,199,005,480.81	9,144,431,460.83
Including: Interests payable			
Dividends payable		808,455,799.38	128,982,745.71
Non-current liabilities due within one year		7,587,091,404.28	6,898,133,097.49
Other current liabilities		240,450,918.35	215,538,868.09
Total current liabilities		<u>68,991,507,859.89</u>	<u>62,385,819,634.70</u>

CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025*

Items	<i>Notes</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Non-current liabilities:			
Long-term borrowings		22,912,611,604.22	26,609,694,266.16
Bonds payable		4,000,000,000.00	4,000,000,000.00
Lease liabilities		160,579,667.06	124,369,283.43
Long-term payables		1,547,395,263.91	1,638,102,263.69
Accrued liabilities		1,100,440,764.05	1,119,105,218.62
Deferred income		14,450,415.63	12,152,191.25
Deferred income tax liabilities		6,037,611,700.94	6,180,340,264.85
Other non-current liabilities		18,014,763.29	20,348,804.07
		<hr/>	<hr/>
Total non-current liabilities		35,791,104,179.10	39,704,112,292.07
		<hr/>	<hr/>
Total liabilities		104,782,612,038.99	102,089,931,926.77
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CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025*

Items	<i>Notes</i>	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Owners' equity			
(or shareholders' equity):			
Paid-in capital (or share capital)		4,473,429,525.00	4,473,429,525.00
Other equity instruments		15,571,612,865.28	12,941,337,821.92
Including: Preference shares			
Perpetual bonds		15,571,612,865.28	12,941,337,821.92
Capital reserve		3,068,135,402.05	3,072,233,109.83
Less: Treasury shares			
Other comprehensive income		43,424,727.00	117,680,305.51
Special reserve		119,866,372.16	99,191,476.90
Surplus reserve		1,495,482,054.17	1,495,482,054.17
General risk reserve		25,701,712.81	25,701,712.81
Undistributed profit	<i>10</i>	17,470,510,214.84	15,572,448,966.97
Total equity attributable to owners (or shareholders) of the parent company		42,268,162,873.31	37,797,504,973.11
Non-controlling interests		18,968,363,875.55	20,772,517,288.48
Total owners' equity (or shareholders' equity)		<u>61,236,526,748.87</u>	<u>58,570,022,261.59</u>
 Total liabilities and owners' equity (or shareholders' equity)		<u>166,019,138,787.86</u>	<u>160,659,954,188.36</u>

CONSOLIDATED STATEMENT OF INCOME

January to June 2025

Unit: RMB

Items	Notes	Half-year of 2025 (Unaudited)	Half-year of 2024 (Unaudited)
I. Total operating revenue		56,765,895,355.68	45,773,494,698.05
Including: Operating revenue	3	56,765,895,355.68	45,773,494,698.05
II. Total operating costs		50,667,070,304.16	42,642,045,789.59
Including: Operating costs	3	46,854,214,561.98	39,292,355,872.23
Tax and surcharges	4	831,326,429.93	779,696,847.11
Selling expenses		76,378,155.44	83,112,784.31
Administrative expenses		1,679,883,563.25	1,295,653,848.09
R&D expenses		311,539,562.76	258,161,998.13
Financial expenses		913,728,030.80	933,064,439.72
Including: Interest expenses		941,960,521.01	921,164,760.73
Interest income		68,696,218.50	94,978,875.36
Add: Other gains		8,695,075.95	12,506,056.23
Investment income			
(Loss represented in “-” signs)		-363,118,405.37	-190,074,650.45
Including: Investment income from associates and joint ventures		22,920,713.70	14,777,419.11
Gains on changes in fair value (Loss represented in “-” signs)		-236,661,774.77	-109,025,478.52
Credit impairment losses (Loss represented in “-” signs)		-23,502,574.21	-12,935,064.13
Gains on disposal of assets (Loss represented in “-” signs)		-1,617,275.17	-230,789.73

CONSOLIDATED STATEMENT OF INCOME (CONTINUED)*January to June 2025*

Items	<i>Notes</i>	Half-year of 2025 (Unaudited)	Half-year of 2024 (Unaudited)
III. Operating profit (Loss represented in “–” signs)		5,482,620,097.95	2,831,688,981.86
Add: Non-operating income		24,562,365.26	5,428,024.26
Less: Non-operating expenses		23,802,491.54	28,449,007.39
IV. Total profit (Total loss represented in “–” signs)		5,483,379,971.67	2,808,667,998.73
Less: Income tax expenses	5	1,610,017,744.05	646,601,452.31
V. Net profit (Net loss represented in “–” signs)		3,873,362,227.61	2,162,066,546.42
(I) Classified by continuity of operations			
1. Net profit from continuing operations (Net loss represented in “–” signs)		3,873,362,227.61	2,162,066,546.42
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent company (Net loss represented in “–” signs)		2,808,157,860.93	1,383,466,282.99
2. Profit or loss attributable to non-controlling interests (Net loss represented in “–” signs)		1,065,204,366.68	778,600,263.43

CONSOLIDATED STATEMENT OF INCOME (CONTINUED)

January to June 2025

Items	<i>Notes</i>	Half-year of 2025 (Unaudited)	Half-year of 2024 (Unaudited)
VI. Net other comprehensive income after tax		-67,517,942.16	-235,615,095.08
(I) Net other comprehensive income after tax attributable to owners of the parent company		-74,255,578.51	-235,266,395.63
Other comprehensive income that will be reclassified to profit or loss		-74,255,578.51	-235,266,395.63
Exchange difference on translation of financial statements in foreign currency		-74,255,578.51	-235,266,395.63
Others			
(II) Net other comprehensive income after tax attributable to non-controlling interests		6,737,636.35	-348,699.45
VII. Total comprehensive income		3,805,844,285.45	1,926,451,451.34
(I) Total comprehensive income attributable to owners of the parent company		2,733,902,282.42	1,148,199,887.36
(II) Total comprehensive income attributable to non-controlling interests		1,071,942,003.03	778,251,563.98
VIII. Earnings per Share:			
(I) Basic earnings per Share (RMB/share)	6	0.57	0.26
(II) Diluted earnings per Share (RMB/share)	6	0.57	0.26

Notes:

1. CORPORATE PROFILE

Shandong Gold Mining Co., Ltd. (hereinafter referred to as the “Company”, collectively referred to as the “**Company**” when including subsidiaries) was established in January 2000, with its registered address at No. 2503 Jingshi Road, Licheng District, Jinan, Shandong Province, and its head office address at No. 2503 Jingshi Road, Licheng District, Jinan, Shandong Province.

The Company successfully listed on the Shanghai Stock Exchange in August 2003 and on the Main Board of the Hong Kong Stock Exchange in September 2018.

The Company operates in the non-ferrous metal mining and beneficiation industry. The Company’s main business activities include non-ferrous metal mining, smelting, processing, precious metal investment, equity investment and asset management. Primary operations include gold mining and smelting (subject to the validity period of the relevant licence); production and sales of gold mine-specific equipment and building decoration materials (excluding products restricted by national laws and regulations). The Company primarily produces standard gold ingots and various specifications of investment gold bars and silver ingots.

The Company’s controlling Shareholder is Shandong Gold Group Co., Ltd. (山東黃金集團有限公司), and the actual controller of the Company is the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government (山東省人民政府國有資產監督管理委員會).

The financial statements were approved by the Company’s Board of Directors for issuance on 27 August 2025.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(1) Basis of preparation

The financial statements of the Company have been prepared on a going concern basis.

(2) Going concern

The Company evaluated the going concern capability for the 12 months from the end of the reporting year and found no matters or circumstances that could raise serious doubts about the going concern capability. Therefore, the financial statements are presented on a going concern basis.

3. OPERATING REVENUE AND OPERATING COSTS

(1) Details of operating revenue and operating costs

Unit: RMB

Items	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal operating activities	56,627,607,478.33	46,776,638,483.94	45,639,532,661.64	39,213,276,848.20
Other operating activities	138,287,877.35	77,576,078.04	133,962,036.41	79,079,024.03
Total	56,765,895,355.68	46,854,214,561.98	45,773,494,698.05	39,292,355,872.23

(2) The disaggregated information of operating revenue and operating costs

Unit: RMB

Contract classification	Operating revenue	Operating costs
Type of goods		
Self-produced gold revenue	17,006,208,188.51	8,137,269,698.01
Purchased gold revenue	28,462,651,994.72	28,239,950,003.70
Small gold bar revenue	4,342,804,369.82	4,238,911,457.94
Trade revenue	5,535,415,189.30	5,470,978,081.10
Other revenue	1,418,815,613.33	767,105,321.23
By region of operation		
Domestic	50,031,712,668.13	42,050,968,575.42
Overseas	6,734,182,687.55	4,803,245,986.56
By time of transfer of goods		
Transfer at a point in time	56,758,764,365.88	46,847,253,646.05
Transfer within a certain period of time	7,130,989.80	6,960,915.93
Total	56,765,895,355.68	46,854,214,561.98

4. TAXES AND SURCHARGES

Unit: RMB

Items	Amount for the current period	Amount for the last period
Consumption tax		31,294.19
Urban maintenance and construction tax	4,419,101.93	3,214,106.86
Education surcharges	2,573,668.11	1,802,844.07
Resource tax	726,154,072.86	486,660,112.68
Property tax	17,310,212.35	15,862,259.25
Land use tax	13,012,600.35	11,585,999.95
Vehicle and vessel use tax	255,758.64	343,527.33
Stamp duty	27,528,411.26	26,286,371.09
Local education surcharges	1,715,778.66	1,201,895.99
Local water conservancy construction fund		557,767.76
Water resource tax	34,119,502.19	98,165,120.90
Environmental protection tax	2,235,188.43	433,558.77
Export customs duties		133,420,216.54
Others	2,002,135.15	131,771.73
Total	831,326,429.93	779,696,847.11

5. INCOME TAX EXPENSES

(1) Table of income tax expenses

Unit: RMB

Items	Amount for the current period	Amount for the last period
Current income tax expenses	1,765,184,067.75	937,600,365.78
Deferred income tax expenses	-155,166,323.70	-290,998,913.47
Total	1,610,017,744.05	646,601,452.31

(2) Adjustment process of accounting profit and income tax expense

Unit: RMB

Items	Amount for the current period
Total profit	5,483,379,971.67
Income tax expense calculated at statutory/applicable tax rate	822,506,995.75
Effect of different tax rates applicable to subsidiaries	563,683,207.11
Effect of adjusting income taxes for the prior period	30,098,348.25
Impact on non-taxable income	-3,308,789.53
Effect of non-deductible costs, expenses and losses	149,518,160.46
Effect of using deductible losses of deferred income tax assets not recognized in the prior period	-74,860,721.72
Effect of deductible temporary differences or deductible losses of deferred income tax assets not recognized in the current period	11,654,535.39
Additional deduction of research and development expenses	-15,884,809.42
Additional deduction of wages for disabled employees	-3,061.23
Profit or loss attributable to joint ventures and associates	
Interest tax	29,490,634.88
Others	97,123,244.11
Income tax expenses	<u>1,610,017,744.05</u>

6. RETURN ON NET ASSETS AND EARNINGS PER SHARE

Profit for the Reporting Period	Weighted average return on net assets (%)	Earnings per Share	
		Basic earnings per Share	Diluted earnings per Share
Net profit attributable to ordinary shareholders of the Company	9.81	0.57	0.57
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	9.81	0.57	0.57

7. SEGMENT INFORMATION

(1) Basis for determining reporting segment and accounting policies

According to internal management and reporting system of the Company, all businesses are classified in to one segment. The measurement basis of segment reporting information is consistent with accounting and measurement basis of preparation financial statements.

(2) Financial information of reporting segments

Unit: RMB

Items	Gold	Silver metal	Copper metal	Iron ore concentrates	Lead metal	Zinc metal	Purchased gold	Small gold bars	Others	Inter segment elimination	Total
Revenue for January to June 2025	17,006,208,188.51	627,654,628.20	49,817,290.57	17,084,411.69	80,570,762.60	143,743,672.49	28,462,651,994.72	4,342,804,369.82	5,897,072,159.73		56,627,607,478.33
Cost for January to June 2025	8,137,269,698.01	230,174,402.73	14,868,080.81	7,977,053.31	30,842,673.38	73,394,750.29	28,239,950,003.70	4,238,911,457.94	5,803,250,363.77		46,776,638,483.94
Revenue for January to June 2024	10,950,035,569.72	494,319,551.53	57,620,027.02	13,424,703.80	69,362,538.95	102,360,622.58	23,636,094,886.95	6,284,737,407.14	4,031,577,353.95		45,639,532,661.64
Cost for January to June 2024	5,399,685,339.80	188,639,108.59	14,831,990.92	4,738,308.10	31,429,581.33	50,176,767.58	23,404,159,329.49	6,196,818,886.59	3,922,797,535.80		39,213,276,848.20

8. ACCOUNTS RECEIVABLE

(1) Disclosure by aging

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year (including 1 year)	536,460,744.11	486,877,590.39
Within 1 year	536,460,744.11	486,877,590.39
1 to 2 years	7,849,023.81	23,097,344.40
2 to 3 years	3,327,330.22	1,044,140.39
Over 3 years		
3 to 4 years	785,000.17	400,000.00
4 to 5 years		17,725.00
Over 5 years	6,801,652.14	6,792,882.15
Total	555,223,750.45	518,229,682.33

The aging of accounts receivable is calculated based on the date of the sales invoice.

(2) Disclosure by bad-debt provision method

Unit: RMB

Type	Closing balance				Opening balance				Book value	
	Book balance		Provision for bad debts		Book balance		Provision for bad debts			
	Amount	Proportion	Amount	Provision proportion	Amount	Proportion	Amount	Provision proportion		
		(%)		(%)		(%)		(%)		
Provision for bad debts made on an individual basis										
Including:										
Provision for bad debts made on a collective basis	555,223,750.45	100.00	30,554,354.52	5.50	524,669,395.93	518,229,682.33	100.00	25,180,676.72	4.86	493,049,005.61
Including:										
The aging portfolio	461,671,343.23	83.15	30,554,354.52	6.62	431,116,988.71	362,500,828.07	69.95	25,180,676.72	6.95	337,320,151.35
Other portfolio	93,552,407.22	16.85			93,552,407.22	155,728,854.26	30.05			155,728,854.26
Total	555,223,750.45	/	30,554,354.52	/	524,669,395.93	518,229,682.33	/	25,180,676.72	/	493,049,005.61

Item made on a collective basis: The aging portfolio

Unit: RMB

Name	Book balance	Closing balance	Provision proportion (%)
		Provision for bad debts	
Within 1 year	444,399,996.39	22,215,999.85	5.00
1-2 years	6,357,364.31	635,736.43	10.00
2-3 years	3,327,330.22	665,466.05	20.00
3-4 years	785,000.17	235,500.05	30.00
4-5 years	—	—	
Over 5 years	6,801,652.14	6,801,652.14	100.00
Total	461,671,343.23	30,554,354.52	

Description of provision for bad debts made on a collective basis: For accounts receivable classified into portfolios, the Company determines the proportion of bad debt provisions based on the actual loss rate of accounts receivable portfolios with similar credit risk characteristics grouped by aging periods, with reference to historical credit loss experience, and in combination with the current situation and forecasts of future economic conditions.

(3) Status of provision for bad debts

Unit: RMB

Type	Opening balance	Accrual	Amount of change in the current period		Other change	Closing balance
			Recovery or reversal	Carryforward or write-off		
Provision for bad debts made on a collective basis	25,180,676.72	5,373,677.80				30,554,354.52
Total	25,180,676.72	5,373,677.80				30,554,354.52

9. ACCOUNTS PAYABLE

(1) Accounts payable presented

Unit: RMB

At the end of the Reporting Period, the aging analysis of accounts payable according to invoice date is as follows:

Items	Closing balance	Opening balance
Within 1 year	10,264,176,611.47	13,141,597,538.94
Over 1 year	3,986,649,175.80	958,358,101.64
Total	14,250,825,787.27	14,099,955,640.58

(2) Significant other payables aged more than 1 year

Unit: RMB

Item	Closing balance	Reasons for non-payment or carryover
Unit 1	3,421,044,245.23	Not due for payment
Total	3,421,044,245.23	

10. UNDISTRIBUTED PROFIT

Unit: RMB

Items	Current period	Last year
Undistributed profit at the end of the last period before adjustment	15,572,448,966.97	14,369,371,415.15
Total adjusted undistributed profit at the beginning of the period (add+, less-)		
Adjusted undistributed profit at the beginning of the period	15,572,448,966.97	14,369,371,415.15
Add: Net profit attributable to owners of the parent company in the current period	2,808,157,860.93	2,951,551,189.32
Less: Appropriation of statutory surplus reserve		357,001,724.35
Appropriation of discretionary surplus reserve		
Withdrawal of general risk reserve		2,483,796.54
Dividends payable on ordinary shares	662,067,569.70	984,154,495.50
Ordinary share dividends transferred to share capital		
Others	248,029,043.36	404,833,621.11
Undistributed profit at the end of the period	17,470,510,214.84	15,572,448,966.97

11. EVENTS AFTER THE BALANCE SHEET DATE

Unit: RMB

Profit or dividend to be distributed	805,217,314.50
Profits or dividends declared after consideration and approval	805,217,314.50

Pursuant to the resolution adopted at the second meeting of the seventh session of the Board of Directors, the Company is proposed to distribute profits based on the total share capital registered on the record date in respect of the implementation of equity distribution in the first half of 2025. A cash dividend of RMB1.80 per 10 Shares (tax inclusive) will be distributed to all Shareholders. As of 27 August 2025, based on the total share capital of 4,473,429,525 Shares, the proposed cash dividend amounts to RMB805,217,314.50. The cash dividend for the first half of 2025 represents 31.45% of the net profit attributable to ordinary shareholders of the listed company after deducting perpetual bond interest for the period. This profit distribution does not include bonus shares or capitalization of capital reserve.

If the total share capital changes before the record date for the equity distribution, the total dividend amount will remain unchanged, with corresponding adjustments to the distribution per share, and specific adjustments will be announced separately.

II. MANAGEMENT DISCUSSION AND ANALYSIS

(I) INFORMATION ON THE CONDITIONS OF THE INDUSTRY TO WHICH THE COMPANY BELONGS AND MAJOR BUSINESSES DURING THE REPORTING PERIOD

1. *Business Scope*

During the Reporting Period, the Company's approved business scope was mainly: exploration, mining, beneficiation and sales of gold and non-ferrous metal, production, processing and sales of specialized equipment for gold mines and construction and decoration materials (excluding products restricted by national laws and regulations). The Company's main products include standard gold bullions, investment gold bars, alloy gold and silver ingots.

The mining enterprises under the Company's management are located in Shandong, Fujian, Inner Mongolia, Gansu, Xinjiang, Jilin, Heilongjiang, Qinghai, Yunnan and other regions in the PRC, and overseas countries such as Argentina, South America and Ghana and Namibia, Africa, forming an integrated industry chain covering exploration, mining, beneficiation, smelting of gold, deep processing and sales of gold products, as well as the manufacture of mining equipment, with an industry-leading scientific and technological research and development system, and a mining finance business and capital investment and financing support platform.

2. *Operating Model*

(1) Large-scale production and operation

The Company focuses on the development and utilization of gold mineral resources. By adopting the gold production model of scattered mining and beneficiation and centralized smelting, the Company has utilized the mechanized and large-scale mining equipment, the automated transportation and lifting system, and the intelligent beneficiation technology to realize the large-scale, intensive and mechanized mining of gold resources. The mechanization rate of mining operations in major mines reached over 65%, the mechanization rate of shoveling and transportation reached 100%, and the automation rate of major fixed facilities reached over 95%. In 2025, the Company accelerated the optimization of production systems and key initiatives for four modernizations, such as the "mechanization, informatization, automation, and intellectualization", with total mining volume increasing by 29.36% year-on-year and beneficiation volume increasing by 23.36% year-on-year during the Reporting Period.

(2) Lean operation and control

The Company has established a lean management philosophy that emphasizes full participation, collaborative efficiency, and continuous improvement, effectively enhancing fine management capabilities, strengthening cost control, and enhancing operational efficiency. With smart operations as the core objective, the Company has implemented flat management in production operations and intelligent and refined management of mines. Currently, the production operation information statistics system has been successfully launched at the dispatch center, and the construction of the production operations control platform under the overall smart operation plan has also officially commenced. Capitalizing on the favorable trend of high gold prices, the Company scientifically calculates economic benefits based on price fluctuations, reasonably adjusts the cut-off grades, and maximizes resource utilization while improving profitability. During the Reporting Period, the recovery rate of comprehensive processing and smelting of mines increased by 0.23 percentage point.

(3) Technology and innovation-driven model

The Company insists on in-depth implementation of the innovation-driven development strategy, attaches great importance to improve independent innovation capabilities, and continues to increase investment in technological innovation focusing on the critical common technical challenges that urgently need to be addressed in the current development of the gold industry. Since the “14th Five-Year Plan”, the Company has led or participated in the formulation of 38 national, industry, and local group standards, undertaken (or participated in) 20 major provincial-level or above science and technology projects, obtained 978 authorized patents, and received 176 provincial and ministerial-level or above awards, including 1 National Science and Technology Progress Award and 9 provincial-level science and technology progress awards in aggregate. During the Reporting Period, the R&D investment was RMB372 million, representing a year-on-year increase of 38.30%, and 5 ongoing provincial-level and above research projects.

(4) Safe and green development

The Company has solidly carried out the three-year action to tackle the root causes of safety production, implementing comprehensive measures in various aspects such as responsibility implementation, system construction, daily management, safety training, assessment and rewards/punishments, and equipment upgrading, and establishing a long-term mechanism of “source governance + process control”. Adhering to ecological priority and green development, the Company has established and improved the ecological and environmental protection responsibility system, and consolidated and implemented the main responsibility for ecological and environmental protection. It has continuously accelerated the construction of green mines and consolidation and upgrading projects, formulated and issued a carbon peak action plan, and promoted green, low-carbon and high-quality development. The 21 mines operated by the Company have been included in the national or provincial-level green mine list (including 13 national-level and 8 provincial-level mines), achieving a win-win in economic, environmental, and social benefits. During the Reporting Period, relying on the Company’s green mines, SDG Group won the honorary title of “Prize for Outstanding Contribution to Green Mines”.

3. *Analysis on Situation of the Company’s Industry during the Reporting Period*

(1) Industry Development

The current international environment is undergoing profound and complex changes, with increasing uncertainties and unpredictable factors. The gold industry faces numerous challenges, including insufficient industry concentration, intensifying resource mergers and acquisitions, and fiercer industry competition. Meanwhile, influenced by the turmoil in the global political and economic landscape and the repeated changes in U.S. tariff policies that undermine the credibility of United States dollars, the safe-haven and monetary attributes of gold have significantly strengthened. Global central banks continue to maintain strong gold purchases, and investment demand for gold has risen substantially, presenting the gold industry with favorable development opportunities.

During the Reporting Period, global political and economic uncertainties remained high. On one hand, the United States imposed large-scale tariffs on foreign imports, which not only increased the risk of global political and economic instability but also threatened global economic growth, thereby boosting market demand for safe-haven assets. On the other hand, the growing unilateral tendencies of the U.S. government raised market concerns that its fluctuating foreign policies could weaken the international status and credibility of United States dollars, highlighting gold’s monetary attributes in “de-dollarization” trades. Additionally, the ongoing turmoil in the Middle East and the prolonged Russia-Ukraine conflict contributed to a complex global geopolitical landscape.

During the Reporting Period, gold prices rose sharply and hit record highs. Driven by global political and economic turmoil and market's "de-dollarization" trades, gold prices have risen sharply. In the first half of 2025, the international spot gold price ranged from the highest of US\$3,500/ounce to the lowest of US\$2,614/ounce, with a maximum volatility of US\$886/ounce, closed at US\$3,302/ounce, up by approximately 25.8% as compared to the closing price at the end of last year. The domestic RMB gold price was weaker than the international gold price. The contract price of Shanghai Gold Exchange Au (T+D) reached the highest of RMB833.79/g and the lowest of RMB618.42/g, and closed at RMB764.15/g in the first half of 2025, representing an increase of approximately 24.3% over the closing price at the end of last year.

Looking ahead to the gold price trend in the second half of the year, on one hand, as the U.S. government broadly imposes tariffs, the impacts on the U.S. and global economies will gradually emerge, strengthening expectations for interest rate cuts by the Federal Reserve. Meanwhile, global geopolitical tensions remain unstable, keeping gold's investment demand robust, which will continue to support gold prices. On the other hand, as the U.S. gradually reaches trade agreements with other economies, tariff risks are expected to ease, and a periodic decline in safe-haven sentiment may suppress gold price performance. Therefore, gold prices are likely to maintain high levels with fluctuations in the second half of the year.

(2) Domestic Gold Production and Trading Volume

In recent years, China's gold industry has developed rapidly, making it the world's largest producer and consumer of gold.

During the Reporting Period, the domestic gold production grew slightly year-on-year. According to the statistics of the China Gold Association, the gold produced with domestic raw materials was 179.083 tonnes in the first half of 2025, a decrease of 0.551 tonne as compared to the first half of 2024, representing a year-on-year decrease of 0.31%. Among them, the gold mine-produced gold was 139.413 tonnes, and the non-ferrous by-products was 39.670 tonnes. In addition, the gold produced from imported raw materials was 76.678 tonnes in the first half of 2025, representing a year-on-year increase of 2.29%. When including this portion of gold produced from imported raw materials, a total of 252.761 tonnes of gold were produced nationwide, representing a year-on-year increase of 0.44%.

During the Reporting Period, the total amount of gold traded on the domestic gold exchanges recorded a significant year-on-year increase. According to the statistics of the China Gold Association, the accumulated unilateral trading volume of all gold products on the Shanghai Gold Exchange in the first half of 2025 was approximately 16,800 tonnes (bilateral: approximately 33,600 tonnes), representing a year-on-year increase of 12.70%, with an accumulated unilateral turnover of approximately RMB12.12 trillion (bilateral: approximately RMB24.24 trillion), representing a year-on-year increase of 56.46%. The accumulated unilateral trading volume of all gold futures and options on the Shanghai Futures Exchange was approximately 75,500 tonnes (bilateral: approximately 151,000 tonnes), representing a year-on-year increase of 88.39%, with an accumulated unilateral turnover of approximately RMB44.44 trillion (bilateral: approximately RMB88.89 trillion), representing a year-on-year increase of 149.17%.

In recent years, in the context of the country's comprehensive implementation of a new round of mineral exploration breakthrough strategies, domestic gold enterprises have further intensified their resources exploration efforts while carrying out mergers and acquisitions at home and abroad to increase their ability to acquire resources. In June 2025, nine departments, including the Ministry of Industry and Information Technology, the National Development and Reform Commission, the Ministry of Natural Resources, and the Ministry of Commerce, jointly issued the Implementation Plan for High-Quality Development of the Gold Industry (2025-2027), which balances high-quality development with high-level security, strengthens protective development, high-value utilization, and standardized management, and is grounded in resource security, driven fundamentally by technological innovation, and guided by standards enhancement. It accelerates the industry's advancement toward high-end, intelligent, green, and safe development, thereby promoting high-quality growth in the gold industry.

(3) Industry Position of Shandong Gold

The Company is one of the leading gold producers in China, with abundant reserves of gold resources. Through optimization of production organization, intensification of resource exploration and active merger and acquisition integration, the Company comprehensively enhanced the level of scientific and technological innovation, continuously increased its gold production and resources, and its domestic mines have maintained the first place in gold production for consecutive years.

During the Reporting Period, the Company produced 24.71 tonnes of mineral gold, accounting for 17.72% of the total mineral gold output of domestic mining enterprises. Among this, the Company's overseas mines produced 5.67 tonnes of gold. According to data from the China Gold Association, the Company's Jiaojia Gold Mine, Sanshandao Gold Mine, and Xincheng Gold Mine have been on the list of "China's Top Ten Gold Producing Mines" and "China's Top Ten Gold Mines for Economic Benefits" for several consecutive years. In 2024, the number of the Company's mines with an annual gold output exceeding one metric tonne reached 12, and this figure is expected to increase to 13 in 2025, further solidifying Shandong Gold's leading position in the gold industry.

(II) DISCUSSION AND ANALYSIS OF OPERATING PERFORMANCE

In the first half of 2025, the Company thoroughly implemented the decisions and arrangements of the Party Central Committee and the State Council, as well as the work requirements of the Shandong Provincial Party Committee and the provincial government, promoting the efforts to stabilize growth, improve quality and efficiency, advance reforms, strengthen innovation and prevent risks in a coordinated manner. The Company achieved record high for its gold production and key economic indicators, efficiently advanced project construction, made significant achievements in scientific research and development, and further enhanced its core competitiveness, laying a solid foundation for the successful completion of the annual work targets.

1. Focusing on strengthening production and operations with key economic indicators achieving record high

The Company has scientifically formulated its annual budgets, and production and operation plans, decomposed indicators at each level, ensured responsibilities at each layer, and implemented differentiated assessments with tailored strategies for each enterprise. The Company has vigorously carried out the "Year of Improvement" campaign for production system optimization, continuously strengthened production technology management, and promoted the trial and application of advanced mining, beneficiation and smelting techniques and methods, continuously enhancing the level of refined and intensive mining. The Company has adhered to the dual emphasis on increasing revenue and reducing costs as well as on tapping potential and enhancing efficiency, strengthened cost control, and achieved stable and increased production as well as higher revenue and efficiency.

In the first half of 2025, the Company had the gold mine production volume of 24.71 tonnes, and sales volume of self-produced of 23.60 tonnes; it achieved operating income of RMB56.766 billion, representing a year-on-year increase of RMB10.992 billion or 24.01%; it achieved total profit of RMB5.483 billion, representing a year-on-year increase of RMB2.675 billion or 95.23%; the net profit attributable to shareholders of the listed company was RMB2.808 billion, representing a year-on-year increase of RMB1.425 billion or 102.98%; weighted average return on net assets was approximately 9.81%, representing a year-on-year increase of approximately 4.80 percentage points; basic earnings per Share was RMB0.57, representing an increase of RMB0.31 compared with RMB0.26 in the same period of the previous year.

2. *Advancing key project construction, continuously solidifying the foundation for development*

The Company has prioritized the applying for licenses, and secured 25 permits and approvals. The Company accelerated the advancement of its project construction. During the Reporting Period, it invested a total of RMB1.09 billion in image-related expenses and construction volumes of 374,800 cubic meters. The auxiliary shaft project at the Sanshandao Gold Mine reached a depth of –1,900 meters, setting a new record for deep shafts in China. Meanwhile, work proceeded in parallel on the approval procedures for the 15,000 tonnes/day expansion project for mining and processing, including safety facility design review, striving to create the conditions for full-scale construction to commence as early as possible. The resource integration projects at the Jiaojia Gold Mine and the Xincheng Gold Mine both progressed orderly according to the construction schedule. Among the five main shaft engineering projects designed for the Jiaojia Gold Mine resource integration project, four have successfully completed sinking and lining. Construction of supporting facilities such as loading/unloading stations, drainage and power distribution systems, and transport drifts is now advancing in an orderly manner to fully ensure the construction schedule. All four main shaft engineering projects for the Xincheng Gold Mine resource integration project have completed sinking and lining. Work is currently underway on the construction of the underground drainage and power distribution systems and the fine ore recovery system, alongside simultaneous sinking and lining of the air return cross-cut and main transport drifts. The Company continued to advance the commissioning, trial production, and production ramp-up of the production system at the Namdini Gold Mine project of Cardinal. Overall production performance is stable and improving. The Namibia-based Osino project, acquired by Shanjin International in 2024, is progressing efficiently. Plant construction is planned to commence fully in the fourth quarter of this year, with production expected to begin in the first half of 2027.

The Company has coordinated efforts in exploration and reserve expansion as well as resource mergers and acquisitions, deeply integrating into the new round of mineral exploration breakthrough strategies and continuously increasing geological survey efforts. In the first half of the year, the Company completed a total of 293,000 meters of exploration projects, and increased 18.8 tonnes of gold metal in exploration. The Company has continuously tracked and monitored high-quality resources around the mining areas as well as in important metallogenic zones both domestically and internationally, steadily advancing mergers and acquisitions work.

3. *Driving reform and innovation, continuously unleashing vitality and momentum*

The Company has actively promoted the integration of technological and industrial innovation, improving the rigid growth mechanism for R&D investment. The Company has deepened strategic cooperation with universities and scientific research institutes, achieving two scientific and technological innovation platforms above provincial level, and advancing breakthroughs in key technologies such as ultra-deep shaft construction, refractory ore processing, paste backfill, and tailings reduction. During the Reporting Period, the Company applied for six scientific research topics above provincial level and one provincial science and technology progress award, had 137 patent applications and 127 issued patents, won the first prize of Science and Technology Progress Award of Shandong Province for its “Key Technology for Intelligent Filling and Green Mining of Metal Mines” project, and received 38 Science and Technology Awards from the China Gold Association, maintaining the leading position in the national industry.

The Company accelerated its digital transformation, actively advancing the development of systems such as the dispatch and command center, production operation management and control, and digital audit management, as well as the construction of intelligent mines. It promoted the application of technologies in scenarios including deep well exploration, intelligent mining, unmanned vehicles, and intelligent mineral processing plants. Furthermore, two industry and group standards participated in and drafted by the Company were officially issued and implemented.

4. *Strengthening risk prevention, firmly upholding safety bottom lines*

In order to coordinate development and safety, the Company completed a safety-specific investment of RMB516 million during the Reporting Period, representing a year-on-year increase of 27.96%. The Company deeply implemented the three-year action to tackle the root causes of safety production, solidly carried out activities such as the “Safety Production Month” and safety-specific inspections, comprehensively strengthened hidden danger investigation and management and grassroots foundation work, organized and conducted safety trainings for 43,000 persons and 134 emergency drills, inspected 325 fully-supported working sites with a pass rate of 98.5%, and achieved a promotion completion rate of over 90% for the intelligent anti-collision system of trackless equipment.

The Company has accelerated the construction of green mines and the achievement of carbon peaking and carbon neutrality, continuously establishing and improving the ecological and environmental protection responsibility system and management system. The Company has vigorously promoted the research and development of key technologies such as “three wastes” treatment, tailings comprehensive utilization, ecological restoration, pollution reduction and carbon emission reduction. During the Reporting Period, leveraging the Company’s green mines, Shandong Gold Group was honored with the “Prize for Outstanding Contribution to Green Mines”, further consolidating the brand image of “Ecological Shandong Gold”. The Company has meticulously implemented internal audit supervision, compliance management construction and major litigation control, comprehensively established a compliance management system, and completed compliance reviews for 69 major decisions.

5. *Continuously improving corporate governance level, and conducting market value management in a scientific and compliant manner*

The Company has continuously improved the corporate governance system, and further enhanced the level of standardized operations and the quality of information disclosure. During the Reporting Period, the Company organized and convened two Shareholders’ general meetings, four Board meetings and three Supervisory Committee meetings, deliberated 74 proposals, and promptly fulfilled the information disclosure procedures. The Company also strengthened the collection, reporting and management of major matters, forming a comprehensive and multi-level information disclosure work network. The Company communicated and interacted positively with investors through multiple channels, convened annual and first-quarter results briefing, organized and participated in over 60 investment exchange activities covering more than 700 people from well-known securities firms and fund companies, and answered over 400 calls on the investor hotline. The Company compiled its first Sustainability Report to a high standard, improved the construction of the ESG system, and newly established the Sustainability Committee under the Board.

The Company has formulated its Market Value Management System, establishing and improving its market value management system. The Company valued Shareholder returns and increased dividend payouts, with the dividend rate for 2024 increasing by 6.46 percentage points as compared to 2023. The Company regularly implemented half-year profit distributions, and proposed to distribute an interim cash dividend of RMB1.8 per 10 Shares (tax inclusive) for 2025, with a total dividend amount of approximately RMB805 million, accounting for 31.45% of the then net profit attributable to ordinary shareholders of the listed company after deducting the interest payments on perpetual bonds.

6. *Strengthening party building, and gathering collective efforts to do things and start businesses*

The Company has solidly carried out and deeply implemented the learning and education on the spirit of the Central Eight Provisions, advanced learning, inspection and rectification in an integrated manner, and strictly implemented the first agenda and the study system for the Party committee's theoretical study center group, forming a normalized and long-term mechanism for work style construction, and stimulating the momentum and vitality for reform and development with a good work style. The Company has continuously strengthened the construction of talent teams, adhering to a hierarchical personnel allocation combining experienced, middle-aged and young talents, and accelerating the building of a high-quality professional talent team. The Company has two new model workers nationwide, two chief technicians in Qilu, four provincial technical experts, two employees who are awarded the Shandong Provincial May 1st Labor Medal, and one team which is awarded the Shandong Province Workers' Pioneer. The Company has deeply promoted comprehensive and strict governance of the party, further enhancing the political and organizational functions of grassroots party organizations, strengthening supervision over important positions and key personnel, and building a "big supervision" pattern to consolidate the clean and upright development environment.

(III) ANALYSIS OF THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

1. *Strategic Advantage*

The Company firmly embraces the theme of high-quality development, fully and accurately implements the new development philosophy in a comprehensive manner, and is guided by value creation. It continues to deepen reforms, strengthen innovation-driven initiatives, and fully leverages its leading role in driving the high-end, intelligent, green, and safe development of the gold industry. Adhering to the principles of cooperative sharing and contributing to society, the Company strives to build itself into a world-class gold mining enterprise renowned for its technological and managerial excellence and sustainable development.

2. *Advantage in Resource*

The Company has been upholding the concept of “resource first” in an unswerving manner. The Company, following the strategy of “internal growth and external expansion to optimize and increase resources”, carried out the exploration of self-owned mining rights and the acquisition of resources in parallel, continuously expanding its resource reserves, upgrading the quality of its resources and enhancing its core competitiveness. The Company gave full play to the main role of mining enterprises internally through finding mines by mines and focusing on the periphery and the deep part of the mines, conducted in-depth research on the metallogenic rules, and increased the investment in exploration, and the annual additional resources from exploration provide strong impetus and resource support for the sustainable development of the mines. The Company externally engaged in mergers and acquisitions in an active manner to acquire high-quality mineral resources in important domestic and overseas mining regions, so as to continuously consolidate our leading position. Since 2023, the Company has successively acquired 28.89% of the shares of Shanjin International, won the bid for the exploration right of the peripheral rim of Daqiao Gold Mine, acquired 70% of the equity interests of Changtai Mining and the exploration right of Xiling Gold Mine. Shanjin International completed the merge of a 100% equity interest in Osino Resources Corp. and a 52.07% equity interest in Yunnan Western Mining Co., Ltd. (雲南西部礦業有限公司). The controlling subsidiary of Shanjin International, Mangshi Huasheng Gold Mine Development Co., Ltd. (芒市華盛金礦開發有限公司), acquired an exploration right in the vicinity. The aforesaid mergers and acquisitions have significantly increased the Company’s resource reserves.

3. *Advantage in the Company’s Scale*

Leveraging its abundant resource reserves, the Company has built a full-process industry chain, adopting the large-scale and intensive production model of scattered mining and beneficiation and centralized smelting. In 2025, the number of mines of the Company with an annual production of more than 1 tonne of gold is expected to reach 13. The Company has established a gold industry cluster in the gold-rich Jiaodong region, including Laizhou, Penglai, Zhaoyuan, and Rushan. Jiaojia Gold Mine, Sanshandao Gold Mine and Xincheng Gold Mine have been on the list of China Top Ten Mines in Gold Production and China Top Ten Mines in Gold Economic Efficiency for several consecutive years. Shandong Gold Smelting Co., Ltd. boasts a daily processing capacity of 1,200 tonnes of gold concentrate, with an annual refining capacity of 100 tonnes of standard gold and 50 tonnes of silver, enjoying a leading position among the national top ten smelting and refining enterprises for many years. In recent years, the Company has accelerated the construction progress of key projects, promoted the construction of intelligent mining areas in major mines, and further enhanced the equipment level and degree of mechanization, automation and intelligence of mines, and striving to create a model for high-quality development of mining operations.

4. *Advantage in Scientific and Technological Innovation*

The Company continued to adhere to problem orientation for its scientific and technological innovation work, increased its investment in research and development, focused on the cutting-edge technologies of the mining industry, and strengthened the construction of its own innovation platform, with its mining and beneficiation technologies at the leading level in the industry. The Company set up key topics around six directions: deep shaft construction, tailings reduction and recycling, refractory ore processing technology, paste backfill demonstration projects, large-scale intensive mining methods, and intelligent ventilation systems, and all the topics are progressing smoothly, of which, the deep shaft mining laboratory has explored the construction of a standardized working system for conventional rock masses in metal mines, established an automated evaluation method for rock mass quality, and realized intelligent design of rock mass support methods and intelligent calculation of support parameters, providing scientific, convenient, and information-based support design tools for mines. Sanshandao Gold Mine took the lead in a deep shaft construction project jointly tackled by five scientific research units and successfully dug to a depth of –1,900 meters, setting a record for the deepest shaft in Asia. During the Reporting Period, the Company was honored with 39 awards at the provincial and ministerial levels or above, with the “Key Technologies for Green Mining with Intelligent Filling in Metal Mines” winning the first prize of the Shandong Science and Technology Progress Award.

5. *Talent Advantage*

The Company adhered to an open and inclusive talent philosophy, firmly upholding the candidate selection and appointment direction of “morality first, equal stress on integrity and ability, emphasis on actual performance and public recognition”, and building three talent teams in “management, technology and skill”. The Company improved selection and appointment mechanisms, optimized the talent echelon, and coordinated the allocation of management and technical talents across all age groups. Through active innovation, it has launched the National Mechanical, Metallurgical and Building Materials Industry Craftsman College (全國機械冶金建材行業工匠學院) and the Shandong Metallurgical Craftsman College (山東冶金工匠學院), established a self-evaluation system for skilled talents in unique types of gold mining industry, and broadened the growth and promotion channels for skilled talents. The Company continuously collaborated with universities to directionally train master’s and doctoral students in engineering, accelerating the growth and expansion of an outstanding engineer team to build a core technical force. The Company increased the introduction of young talents, such as doctoral graduates, continuously replenishing fresh scientific and technical strength. With the support of platforms such as academician workstations and key projects, Shandong Gold has hired well-known academicians, experts and scholars to concentrate our efforts on overcoming “stuck neck” technical problems. Shandong Gold continuously made substantial breakthroughs in geological prospecting, deep resource exploration and mining, green mines, intelligent mining and promoted the transformation of industrial value.

6. *Brand Advantage*

The Company integrated ESG concepts into the entire process of enterprise development, and collaborated in promoting carbon reduction, pollution reduction, green expansion and growth, so as to improve the brand image of “Ecological Shandong Gold”. By continuously increasing safety investments and implementing a strategy of invigorating safety through technology, it has significantly enhanced intrinsic safety production levels. The Company continuously upgraded the standards of green mine construction and ecological environmental protection in terms of mining environment, green development, comprehensive resource utilization, energy saving and emission reduction, enterprise management and community harmony, accelerating the formation of a new mode of mining development. The Company was included into the Sample Shares of the Shanghai Stock Exchange 50 Index, the Shanghai Stock Exchange 180 Index, as well as the Sample Shares of three major international indices, namely the MSCI Indices, FTSE Russell and S&P Dow Jones Indices for multiple times, and won multiple awards such as the Best ESG Practice Award for Listed Companies and the Best Practice in Investor Relations Management for multiple times. Its Wind ESG rating has been upgraded to A, and it has been awarded an A-grade information disclosure rating by the Shanghai Stock Exchange for seven consecutive years.

(IV) OPERATING PERFORMANCE DURING THE REPORTING PERIOD

1. *ANALYSIS OF MAIN BUSINESSES*

(1) Table of movement analysis for the related items in financial statements

Unit: RMB

Items	Amount for the current period	Amount for the corresponding period of last year	Change in percentage (%)
Operating revenue	56,765,895,355.68	45,773,494,698.05	24.01
Operating costs	46,854,214,561.98	39,292,355,872.23	19.25
Selling expenses	76,378,155.44	83,112,784.31	-8.10
Administrative expenses	1,679,883,563.25	1,295,653,848.09	29.66
Financial expenses	913,728,030.80	933,064,439.72	-2.07
R&D expenses	311,539,562.76	258,161,998.13	20.68
Net cash flows generated from operating activities	10,502,900,464.64	5,779,663,161.40	81.72
Net cash flows generated from investment activities	-5,314,022,572.11	-11,205,765,139.01	N/A
Net cash flows generated from financing activities	-4,035,320,857.88	5,051,428,811.04	-179.88

Explanation of changes in operating revenue: The increase in operating revenue was mainly due to the increase in both sales volume and selling price of self-produced gold during the period, as well as the increase in the selling price of purchased gold;

Explanation of changes in operating costs: The increase in operating costs was mainly due to the increase in the costs of both self-produced and purchased gold during the period;

Explanation of changes in selling expenses: The decrease in selling expenses was mainly due to the decrease in sales commissions during the period;

Explanation of changes in administrative expenses: The increase in administrative expenses was mainly due to the increase in staff remuneration and intermediary fees during the period;

Explanation of changes in financial expenses: Financial expenses remained relatively unchanged compared to the same period of the previous year;

Explanation of changes in R&D expenses: The increase in R&D expenses was due to the increase in R&D investment by subsidiaries during the period;

Explanation of changes in net cash flows generated from operating activities: The increase in net cash flows generated from operating activities was mainly due to the increase in net cash inflows generated from purchasing and sales activities during the period;

Explanation of changes in net cash flows generated from investment activities: The increase in net cash flows generated from investment activities was mainly due to the increase in cash received from investment recoveries during the period;

Explanation of changes in net cash flows generated from financing activities: The decrease in net cash flows generated from financing activities was mainly due to the increase in net cash outflows generated from financing activities during the period.

2. ANALYSIS OF ASSETS AND LIABILITIES

(1) Status of assets and liabilities

Unit: RMB

Items	Closing balance for the current period	Closing balance for the current period as a percentage of total assets (%)	Closing balance for the corresponding period of last year	Closing balance for the corresponding period of last year as a percentage of total assets (%)	Year-on-year change of the closing balance (%)	Explanations
Monetary capital	12,522,686,397.09	7.54	11,077,274,906.35	6.89	13.05	It was mainly due to the decrease in the purchase of wealth management products by subsidiaries during the period
Notes receivable	225,169,658.82	0.14	123,886,585.10	0.08	81.75	It was mainly due to the increase in unmatured notes received by subsidiaries
Accounts receivable	524,669,395.93	0.32	493,049,005.61	0.31	6.41	It was mainly due to the increase in accounts receivable of subsidiaries
Inventories	8,424,835,498.40	5.07	6,819,745,616.21	4.24	23.54	It was mainly due to the increase in inventory goods of subsidiaries
Construction in progress	14,897,768,848.21	8.97	10,604,445,075.41	6.60	40.49	It was mainly due to the increase in investment in construction in progress of subsidiaries during the period
Short-term borrowings	29,386,809,802.18	17.70	26,269,496,757.73	16.35	11.87	It was mainly due to the increase in short-term borrowing financing by the Company during the period
Contract liabilities	779,281,989.56	0.47	427,135,295.37	0.27	82.44	It was mainly due to the increase in advanced receipts for sold goods by subsidiaries
Staff remuneration payables	1,064,249,533.33	0.64	626,183,255.77	0.39	69.96	It was mainly due to the increase in accrued but unpaid salaries by subsidiaries during the period
Taxes payable	1,407,974,435.26	0.85	962,099,132.81	0.60	46.34	It was mainly due to the increase in accrued but unpaid taxes by subsidiaries
Long-term borrowings	22,912,611,604.22	13.80	26,609,694,266.16	16.56	-13.89	It was mainly due to the transfer of long-term borrowings due within one year to non-current liabilities due within one year
Lease liabilities	160,579,667.06	0.10	124,369,283.43	0.08	29.12	It was mainly due to the new leasing of subsidiaries

(2) Overseas assets

Overseas assets were RMB25.303 billion, accounting for 15.24% of total assets.

3. *ANALYSIS OF INVESTMENTS*

(1) Overall analysis on external equity investment

During the Reporting Period, the Company acquired 70% of the equity interests of Changtai Mining and paid RMB60 million in transfer consideration in accordance with the Equity Transfer Agreement signed with all shareholders of Inner Mongolia Shanjin Changtai Mining Co., Ltd. in March 2024. Upon the payment of the equity transfer consideration, the acquisition has been fully completed.

The Company invested to establish Shandong Shanjin Materials Co., Ltd. (山東山金物資有限公司) in December 2024, which operates under a low-profit business model. It centralizes the procurement, unified allocation and professional management of materials within Shandong Gold, thereby enhancing operational efficiency and management level. This initiative continuously reduces procurement costs, optimizes inventory management, and realizes the full-process management for centralized procurement operations. The registered capital of the company is RMB100 million, with an investment of RMB50 million was completed during the Reporting Period.

(a) Key Equity Investments

Unit: RMB10 thousand

Invested company	Major businesses	Mainly engaged in investment business	Investment method	The amount invested	Shareholding	Whether consolidating the financial statements	Statement account (if applicable)	Source of capital	JV partners (if applicable)	Investment horizon (if any)	Progress as of the balance sheet date	Estimated earnings (if any)	Impact on the profit and loss during the period	Whether involved in litigation	Disclosure date (if any)	Disclosure index (if any)
Inner Mongolia Shanjin Changtai Mining Co., Ltd. (內蒙古山金泰礦業有限責任公司)	Mining and processing of gold and silver; mining development; processing and sales of mineral products; mining engineering construction; sales of mining machinery.	Yes	acquisition	6,000	70%	Yes	Long-term equity investment	Self-financing	Natural person	Long term	Completed the merger and acquisition			No	12 March 2024	“Announcement on Resolutions of the Fifty-sixth Meeting of the Sixth Session of the Board of Directors of the Company”
Shandong Shanjin Materials Co., Ltd. (山東山金物資有限公司)	Mainly responsible for material supply and logistics services, providing integrated services such as procurement, warehousing and distribution for both internal and external operations of the Company.	Yes	Newly established	5,000	100%	Yes	Long-term equity investment	Self-financing		Long term	The registered capital of the company is RMB100 million, with an investment of RMB50 million was completed			No	29 August 2024	“Announcement on Resolutions of the Sixty-fifth Meeting of the Sixth Session of the Board of Directors of the Company”
Total	/	/	/	11,000	/	/	/	/	/	/	/	/	/	/	/	/

(b) Key Non-equity Investments

No.	Project name	Total project investment amount (RMB100 million)	Progress of project	Amount completed during the Reporting Period (RMB100 million)	Cumulative amount completed (RMB100 million)	Revenue of project
1	Jiaojia mining area (integration) gold resources development project	82.73	The mixing shaft in the north area, the main shaft in the south area, the auxiliary shaft in the south area, the 2# air return shaft and other parts of the main control project were completed, and the second phase of the project is under construction.	4.3	12.9	According to the Feasibility Study Report, after the project reaches capacity, the ore production and processing capacity will be 6.6 million tonnes per year, and the average annual production of flotation gold concentrate will be 290,600 tonnes (gold content of 18,854 kg/year).
2	Xincheng Gold Mine resources integrated development project	39.5	The main shaft in mining area I, the auxiliary shaft in mining area II, the air return shaft and other parts of the main control project were completed, and the supporting engineering construction is in progress.	3.91	10.63	According to the Feasibility Study Report, after the project is completed and reaches capacity, the annual ore processing capacity will be 2.64 million tonnes, and the average annual production of flotation gold concentrate will be 119,600 tonnes (gold content of 7,771 kg/year).
3	Expansion project of 2,000t/d of mining and beneficiation in Chifeng Chaihulanzi Gold Mining Co., Ltd.	2.78	The auxiliary shaft and air shaft of the main control project were completed, the second phase of tunnel development project is under construction, and the equipment and facilities are being installed.	0.19	2.54	According to the Feasibility Study Report, when the mine reaches production scale, it will produce 600,000 tonnes of ore per year.

Explanation: The completed investment amount and cumulative completed amount for each project in this table represent the progress of the project's physical investment.

(2) Financial assets measured at fair value

Unit: RMB10 thousand

Asset class	Opening balance	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value included in equity	Impairment accrued in the current period	Purchase amount of the current period	Amount sold/ redeemed in current period	Other changes	Closing balance
Stocks	445,679.14	-25.21						445,653.93
Trust products	51,797.68	0.55				0.55		51,797.68
Private equity	163,307.49	1,278.03				1,354.65		163,230.87
Futures	191.91	-10,380.42			56,512.10	55,777.60	11,742.08	2,288.07
Derivatives	-993.48	-16,735.48			-14,132.23	-14,288.05	13,359.55	-4,213.59
Others	165,185.05	2,196.35			1,085,067.00	1,170,595.85		81,852.55
Receivables financing	8.00						-8.00	
Total	825,175.79	-23,666.18			1,127,446.87	1,213,440.60	25,093.63	740,609.51

Note: Other categories of financial assets are mainly the entrusted wealth management products held by SDG Capital Management, a wholly-owned subsidiary of the Company, and its subsidiaries, and Shanjin International, a holding subsidiary of the Company, and its subsidiaries.

Investment in securities

Unit: RMB10 thousand

Types of securities	Stock code	Abbreviation of securities	Initial investment cost	Source of funds	Opening carrying amount	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value included in equity	Purchase amount of the current period	Amount sold in the current period	Investment profit and loss in the current period	Closing carrying amount	Accounting items
Stocks	601899	Zijin Mining	5,000.00	Self-owned funds	6,866.57	2,228.30	0.00	0.00	0.00	0.00	9,094.87	Financial assets held for trading
Stocks	600022	Shandong Iron and Steel	5,000.00	Self-owned funds	261.10	-25.21	0.00	0.00	0.00	0.00	235.89	Financial assets held for trading
Funds	/	/	3,100.00	Self-owned funds	18,069.09	711.17	0.00	0.00	0.00	0.00	18,780.26	Financial assets held for trading
Others	/	/	500.00	Self-owned funds	2,137.85	228.04	0.00	0.00	0.00	0.00	2,365.89	Financial assets held for trading
Total	/	/	13,600.00	/	27,334.61	3,142.30	-	-	-	-	30,476.91	/

Description of securities investment

Shanjin Jinquan (Shanghai) Private Equity Fund Management Co., Ltd. (山金金泉(上海)私募基金管理有限公司) (“**Jinquan Private Equity Fund**”), a wholly-owned subsidiary of SDG Capital Management, is a private equity fund manager registered with the Asset Management Association of China. Shanjin Futures Co., Ltd. (山金期貨有限公司) (“**Shanjin Futures**”) is a securities and futures operating institution established with the approval of the futures regulatory authority of the State Council, an asset management plan manager registered with the China Futures Association, and has the qualification of investment consultant. Jinquan Private Equity Fund and Shanjin Futures can invest and manage assets by setting up private equity funds and asset management plans.

The securities investment projects under the fund category are Jinyuan No. 1 Private Securities Investment Fund of Jinquan Shanjin (金泉山金金源一號私募證券投資基金) and Jinyuan No. 2 Private Securities Investment Fund of Jinquan Shanjin (金泉山金金源二號私募證券投資基金) independently managed by Jinquan Private Equity Fund. The securities investment project in other categories is the Antai No. 5 Single Asset Management Plan of Caitong Fund (財通基金安泰5號單一資產管理計劃), which is 100% held by Jinquan Private Equity Fund, and has the right to make investment decisions and is consolidated.

Investment in private equity fund

As of the end of the Reporting Period, the balance of investment in self-managed consolidated private equity funds of which SDG Capital Management's wholly-owned subsidiaries, namely Jinquan Private Equity Fund, Shanjin Futures and Jinquan Investment Management Company (金泉投资管理公司), acted as managers with an investment proportion exceeding 30% or non-managers with an investment proportion reaching 100%, amounted to RMB1.735 billion.

Investment in derivatives

(1) Derivative investments for hedging purposes during the Reporting Period

During the Reporting Period, in order to avoid the impact of price and exchange rate fluctuations on production and operation and ensure the continuity and stability of the Company's operating results, the Company and its subsidiaries (excluding Shanjin International) carried out derivative investment business for the purpose of hedging within the limits considered by the Board and the general meeting: the margin and credit of financial institutions occupied by the Company and its subsidiaries (excluding Shanjin International) for self-produced gold futures and derivatives trading business in 2025 did not exceed the authorization limit of RMB0.5 billion or its equivalent value in other currencies as considered and approved, and the maximum contract value did not exceed the authorization limit of RMB3.5 billion or its equivalent value in other currencies as considered and approved; the margin and credit of financial institutions occupied by other futures and derivatives trading businesses did not exceed the authorization limit of RMB0.6 billion or its equivalent value in other currencies as considered and approved, and the maximum contract value did not exceed the authorization limit of RMB4.2 billion or its equivalent value in other currencies as considered and approved; the maximum contract value of the gold leasing and hedging business did not exceed the authorization limit of RMB21.9 billion or its equivalent value in other currencies as considered and approved (for details, please refer to the Announcement on Commencement of Futures and Derivatives Transactions in 2025 of Shandong Gold Mining Co., Ltd. and Announcement on Commencement of Gold Leasing and Hedging Combination Business in 2025 of Shandong Gold Mining Co., Ltd. (Announcement No.: Lin 2025-016, Lin 2025-017) disclosed by the Company on 27 March 2025).

During the Reporting Period, subject to the limits considered by the Board and the general meeting, Shanjin International, a controlling subsidiary of the Company, carried out derivatives trading business to avoid the impact and risks arising from price and exchange rate fluctuations on the Company's production and operation and ensure the continuity and stability of the Company's operating performance, so as to further enhance the Company's production and operation level and risk resistance capability. The maximum contract value held on any trading day of the derivatives trading business did not exceed RMB9 billion or its equivalent value in other currencies as considered and approved, and the amount of trading margin used did not exceed RMB0.7 billion or its equivalent value in other currencies as considered and approved at any point in time (for details, please refer to the Announcement on Derivative Trading Business Conducted by a Subsidiary of Shanjin International, a Controlling Subsidiary of Shandong Gold Mining Co., Ltd. (Announcement No.: Lin 2024-099) disclosed by the Company on 19 December 2024).

The accounting policies, specific principles of accounting for hedging business during the Reporting Period, and explanations of whether there are significant changes compared with the previous reporting period	No significant change
Explanation on actual profit and loss during the Reporting Period	In order to avoid the impact of price and exchange rate fluctuations on the Company's production and operation, the Company carried out highly liquid futures and other derivatives transactions that are related to its main business and similar to the Company's products according to a certain proportion, and all transactions conducted are backed by physical business activities. During the Reporting Period, the Company's futures and other derivatives transactions resulted in no loss after being offset against spot value movements, thereby achieving the purpose of hedging.
Description of hedging effect	The futures and other derivatives transactions that the Company engages in are linked to products and foreign exchange related to its production and operation. These activities have effectively hedged against the risks of commodity price and exchange rate fluctuations, safeguarded the financial security of the Company and the profitability of its main business, and achieved the expected risk management objects.
Source of funds for investment in derivatives	Self-owned funds

Risk Analysis and Control Measures for Derivative Holdings during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)

The Company and its subsidiaries conduct futures and other derivative transactions in compliance with the principles of legality, prudence, security and effectiveness. These activities are always aimed at mitigating risks arising from price and exchange rate fluctuations, with risk control as the top priority. No speculative trading is carried out under the guise of hedging, and all transactions are backed by actual business backgrounds. Nevertheless, certain risks remain during operations:

1. Market Risk: Due to international and domestic economic policies and conditions, futures and derivative prices may experience significant fluctuations. There is a risk that futures prices may deviate from spot price trends, reducing or negating hedging effectiveness, and possibly leading to financial losses.
2. Operational Risk: Hedging activities are highly specialized and complex. Inadequate internal control mechanisms or human operational errors may give rise to risks.
3. Liquidity Risk: Inadequate market trading volume or a lack of willing counterparties may prevent transactions from being executed at desired times or at all, potentially resulting in losses. The futures trading system requires margins and follows mark-to-market daily practices. Excessively large positions may lead to liquidity strain, while insufficient margin may result in forced liquidation of positions and actual losses.
4. Technical Risk: Uncontrollable and unforeseeable system failures, network disruptions, or other technical issues may cause abnormal operation of the trading system, resulting in delayed, interrupted, or erroneous transaction orders, thereby introducing relevant risks.

	<p>Risk Control Measures:</p> <ol style="list-style-type: none"> 1. The Company strictly complies with national laws and regulations, regulatory requirements, industry guidelines, as well as its Articles of Association and relevant internal policies to ensure the legality, compliance, and effectiveness of its operations. 2. The Company has strengthened its internal control system by formulating management rules including the “Self-produced Gold Hedging Management Measures of Shandong Gold Mining Co., Ltd.”, “Bulk Trade Hedging Management Measures of Shandong Gold Mining Co., Ltd.”, and the “Gold Leasing and Hedging Business Management Measures”. These documents provide clear provisions regarding business principles, organizational structure and responsibilities, operational procedures, risk management and control, information disclosure, and confidentiality and records management, thereby continuously enhancing the Company’s internal control. 3. The Company implements strict authorization management, ensuring that trading scale, varieties, and tenor remain strictly within approved limits. No unauthorized excess of trading limits is permitted. The Company enforces a segregation of duties system and has established dedicated clearing and risk control positions. Using a specialized information technology control platform, it continuously monitors changes in futures and derivative prices and the usage of trading limits, promptly assessing the performance of hedging activities. Operational staff regularly report business conditions to the Company’s management. Any abnormal situations are immediately reported, risks are highlighted, and corresponding early warning mechanisms are activated based on the specific circumstances.
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	4. The Company trades futures and derivatives on the Shanghai Gold Exchange, the Shanghai Futures Exchange, the New York Metal Exchange and other legitimate exchanges. The counterparties selected for over-the-counter derivatives trading are large legitimate and qualified commercial banks, investment banks and other financial institutions or risk management companies, effectively avoiding credit risks related to trading.
Changes in Market Prices or Fair Value of Invested Derivatives during the Reporting Period (an analysis of the fair value of derivatives shall disclose the specific methods used, as well as the relevant assumptions and parameters established)	Fair value changes are determined at the end of each month based on the prevailing exchange market prices
Litigation Involvement (if applicable)	Nil
Disclosure Date of Board Announcement Regarding Derivative Investment Approval (if any)	27 March 2025
Disclosure Date of Shareholders' Meeting Announcement Regarding Derivative Investment Approval (if any)	11 June 2025

4. *LIQUIDITY AND CAPITAL RESOURCES*

The Group requires liquidity for expansion of its mining and processing businesses, exploration activities and acquisition of exploration and mining permits. Major sources of capital of the Group are, including but not limited to, cash generated from operating activities, bank financing, bonds issued or to be issued, and placement of share capital. The liquidity of the Group depends, to a large extent, on the cash generated from its operating activities, its ability to repay debts as and when the debts fall due, and its requirements for future operating and capital expenditure.

As at 30 June 2025, the Group's short-term borrowings amounted to RMB29,386.81 million and long-term borrowings amounted to RMB22,912.61 million.

5. COMMITMENTS

As of 30 June 2025, the Group's commitments amounted to RMB1,518,330,900, the specific details are as follows:

Project	Closing amount (RMB'0,000)	Opening amount (RMB'0,000)
Contracted but not recognized in the financial statements		
– Commitment to acquisition and construction of long-term assets	20,858.29	13,376.10
– Significant labour contracts	130,974.80	77,901.31
Total	151,833.09	91,277.41

6. GEARING RATIO

Gearing ratio is defined as the ratio of consolidated total debt to consolidated total equity. As of 30 June 2025, the Group's consolidated total debt was RMB104,782.61 million (RMB102,089.93 million as of 31 December 2024), and the Group's consolidated total equity was RMB61,236.53 million (RMB58,570.02 million as of 31 December 2024). As of 30 June 2025, the Group's gearing ratio was approximately 171.11%.

7. *RESTRICTIONS ON MAIN ASSETS AS OF THE END OF THE REPORTING PERIOD*

Unit: RMB

Items	Carrying amount as of the end of the period	Reasons for restrictions
Monetary funds	402,919,780.45	Security deposits for land reclamation and environmental governance
Monetary funds	995,707,164.47	Security deposits for notes
Monetary funds	4,510,000.00	Performance deposits
Monetary funds	41,674,715.84	Balances with clearing companies
Monetary funds	315,569.59	Others
Inventories	34,067,940.22	Pledge for financing
		Advanced security deposit for exploration rights, the balance of which will be frozen and supervised according to a three-party supervision agreement signed by Jilin Jincheng Shengxin Mining Co., Ltd. (吉林金誠盛鑫礦業有限公司), Team 602 of Jilin Provincial Non-ferrous Metal Geological Exploration Bureau and its account bank
Other non-current assets	1,329,800.00	
Total	1,480,524,970.57	—

8. *MAJOR INVESTMENT, ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES*

Save as disclosed in this announcement, for the six months ended 30 June 2025, the Group had no major investments, nor major acquisitions or disposals of subsidiaries, associates and joint ventures.

9. *PLEDGE OF ASSETS*

As of 30 June 2025, the Group did not have any other material pledge of assets, save as disclosed in this announcement.

10. *CONTINGENT LIABILITIES*

As of 30 June 2025, the Group had no material contingent liabilities.

(V) POSSIBLE RISKS

The Company strengthened the top-level design of risk management, clarified the risk management responsibilities of the Board of Directors, management and various departments and positions, and built a standardized and robust risk prevention and control system and mechanism covering all business processes and procedures, so as to effectively prevent and resolve various risks.

Investors are advised that the Company has identified major risks and formulated various countermeasures, and however, the Company cannot completely eliminate all adverse factors due to constraints of various factors.

1. *Safety Management Risks*

With the enhancement of employees' safety awareness and the increasingly stringent production safety supervision requirements of governments at all levels, the Company always regards production safety as a top priority in its operations and management, continuously improving the safety management system and strengthening risk prevention measures. The Company still has certain deficiencies in the implementation of safety production responsibilities, identification and mitigation of potential hazards, execution of specialized rectification measures and safety education and training due to factors such as natural conditions, personnel competency, technical capabilities, scientific and technological levels and objective conditions of the industry. These gaps pose risks of safety incidents and hinder the achievement of the Company's intrinsic safety goals. Any casualties and property losses will have a significant impact on the Company's brand and social reputation.

Countermeasures:

We reinforced the responsibilities of all employees through signing safety work responsibility certificates at all levels and released the Opinions on Annual Safety Work to guide the Company's safety work throughout the year; We revised and improved various safety work management systems, solidifying the construction of safety work standardization. We strengthened prevention at source, promoted the transformation of safety hazard management from post-incident to pre-incident prevention and established a standardized safety work management system centered on the dual prevention mechanism of safety risk classification control and investigation and management of hidden dangers. We routinely implemented mining top help full support; accelerated the rectification of production systems, enhanced mine ventilation rectification, standardized the investigation and management of hidden disaster factors and established a normalized dynamic clearance mechanism for major accident hazards. We strengthened scientific and technological breakthroughs on mine safety, promoted the smart mine construction with the principles of "reducing the number of workers with mechanized, automated and intelligent equipment", for the purpose of increasing the intrinsic safety level of mines. We ensured safety investment, provided safety training, and enhanced the safety level of the working environment to improve the safety quality of safety managers and operators.

2. *Environmental Protection Management Risks*

Amid increasingly stringent national ecological and environmental protection policies and continuously rising regulatory requirements, mining companies are facing growing environmental pressure. Although the Company's ecological and environmental protection efforts have maintained a stable state, there is still a need to further strengthen refined environmental management, ecological restoration, pollution prevention, and environmental risk management and control. In the event of incidents such as environmental pollution and major violations of laws and regulations in energy conservation and environmental protection, it will have a significant impact on the Company's sustainable development and public image.

Countermeasures:

We stuck to deeply studying and implementing the ecological civilization thoughts of Xi Jinping and the development concept of "lucid waters and lush mountains are invaluable assets", increased publicity on ecological civilization, strengthened the ecological and environmental awareness of all employees. All employees signed ecological and environmental protection responsibility agreements, with responsibilities being firmly established at all levels, creating a collaborative effort where everyone takes joint responsibility and works together. We improved various ecological and environmental management systems, strengthened management of the "three simultaneities" of environmental protection, pollution prevention and control and other links or areas. We regularly carried out investigation and treatment of potential environmental hazards, promoted the rectification and implementation of outstanding environmental problems, and reduced environmental risks. We strengthened the construction of environmental protection professional technology and management teams, enhanced education and training, and improved management levels. We increased investment in environmental protection, continuously improved pollution prevention and control level, orderly reduced pollution and carbon emissions, synergistically increased efficiency, continuously reduced pollutant emissions, and improved the ecological environment of mining areas. We intensified scientific and technological innovation, vigorously promoted key technology breakthrough in "three wastes" treatment, ecological restoration, pollution reduction and carbon emission reduction, etc.. We expanded the utilization ways of solid waste including tailings and waste rocks, improved the comprehensive utilization rate of solid waste to promote the construction of mines without tailings and waste. We improved the environmental emergency response systems and strengthened the contingency planning, drills, and resource reserves to enhance emergency response capabilities.

3. *Resource Acquisition Risk*

With the intensification of global resource competition, stricter national safety and environmental policies, adjustments in industry policies and other factors, the difficulty of resource mergers and acquisitions has increased, which may restrict the further improvement of production capacity scale.

Countermeasures:

We continued to intensify exploration efforts on self-owned mining rights, and closely focused on the deep and surrounding parts of mines to consistently enhance resource confidence, expanded our advantages in production capacity and resource scale. We accelerated the exploration process of primary mining rights and strove to achieve breakthroughs in mineral discovery. By strengthening the leading role in science and technology, we achieved breakthrough results in theories of ore formation and prospecting and regional exploration. We strengthened the mergers and acquisitions of mining rights in important mineralization belts, aligned with national resource strategies, accelerated our global expansion efforts, and continuously increased the proportion of resource reserves outside the province and abroad.

4. *Risks of fluctuation in product prices*

The Company's main product is gold, and its price fluctuation directly affects the Company's operating performance. Persistent uncertainties in the global policy environment, the prolonged nature of geopolitical conflicts, coupled with adjustments in national monetary, fiscal, industrial regulatory, and regional development policies may all trigger fluctuations in gold prices. Furthermore, exchange rate fluctuations – particularly changes in the US dollar exchange rate – exhibit a strong correlation with gold pricing, directly influencing its valuation. The interplay of these factors contributes to more complex gold price dynamics, posing ongoing challenges to the stability of the Company's profitability.

Countermeasures:

We continuously refined and optimized our research framework for gold prices, further enhancing our analysis and judgment capabilities. We engaged in regular in-depth exchanges with external institutions to comprehensively improve our ability to analyze and judge price trends. By closely monitoring market developments, we explored the use of appropriate hedging instruments and formulated diversified strategies and effectively reduced the risk of price fluctuations.

5. *Exchange Rate Volatility Risk*

The majority of the Group's revenues, operating costs and expenses are, and are expected to remain, denominated in RMB. However, revenue generated from our Argentine operations is denominated in USD, while the operating and capital costs of the Veladero Gold Mine are partially denominated in ARS. As the price trends for gold denominated in RMB are generally in line with international gold prices denominated in USD and the ARS has experienced significant volatility previously, the Group's revenue may be subject to substantial changes in the exchange rate of the RMB against the USD rate as well as the ARS against the USD. Therefore, the Group's consolidated financial results may be affected. The management monitors foreign exchange exposure and hedges foreign exchange risk in a timely manner as and when required.

(VI) OVERVIEW OF CORPORATE BONDS

Name of Bonds	Abbreviation	Code	Date of Issuance	Date of Initial Interest Accrued	The Latest Putback Date After 31 August 2025	Outstanding Balance of Bonds	Coupon Rate (%)	Payment of Principal and Interest	Place of Trading	Lead Underwriter	Trustee	Appropriate Arrangement of Investors (if any)	Mechanism of Trading	Whether There is a Risk of Termination of the Listing Transaction
The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 2)	24 Lujin K4	241625	2024/9/10	2024/09/12	-	10	2.50	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 1)	24 Lujin K3	241624	2024/9/10	2024/09/12	-	10	2.12	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) (Type 1)	24 Lujin K1	240785	2024/03/25	2024/03/27	-	20	2.80	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Name of Bonds	Abbreviation	Code	Date of Issuance	Date of Initial Interest Accrued	The Latest Putback Date After 31 August 2025	Date of Maturity	Outstanding Balance of Bonds	Coupon Rate (%)	Payment of Principal and Interest	Place of Trading	Lead Underwriter	Trustee	Appropriate Arrangement of Investors (if any)	Mechanism of Trading	Whether There is a Risk of Termination of the Listing Transaction
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) See Note 1 for details	Lujin KY01	240265	2023/11/15	2023/11/17	-	2026/11/17	20	3.19	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) See Note 2 for details	Lujin KY02	240334	2023/11/23	2023/11/27	-	2026/11/27	20	3.22	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Note 1: The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) takes every three interest-bearing years as one cycle, and at the end of each cycle, the Company has the right to choose to extend the bond term by one cycle (i.e. extend three years), or choose to settle the bond in full when it matures at the end of the cycle.

Note 2: The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) takes every three interest-bearing years as one cycle, and at the end of each cycle, the Company has the right to choose to extend the bond term by one cycle (i.e. extend three years), or choose to settle the bond in full when it matures at the end of the cycle.

(VII) OTHER INFORMATION

1. STAFF OF THE GROUP

As at 30 June 2025, the Group had a total of 21,102 full-time employees. For the six months ended 30 June 2025, the staff cost (including Directors' remuneration in the form of salaries and other benefits) was RMB3,158.42 million.

The Company is strategically oriented, and based on the principle of market-oriented allocation, has established a post-performance salary system that is competitive, fair, and motivating internally, and offering competitive salary in line with the external market rate to enhance the performance of employees. The annual salary standard of senior management is determined according to the market rate whilst in consideration of the corporate efficiency, scale, and operational difficulty of his/her respective position and fulfilment of one's target responsibility signed by the senior management annually.

The Group ensured that the remuneration packages of employees are competitive and the remuneration level of its employees was determined on the basis of work performance, with reference to the profitability of the Group, industry remuneration standards and market conditions within the general framework of the Group's remuneration system.

For operation management training of the Group, we aligned with Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, aiming to become an internationally first-class enterprise, with lean management as our goal and improving operational management level as our purpose. We conducted training for management personnel at all levels, covering production operations, human resources, project management, financial auditing, financial management, resource acquisition, and party building and discipline inspection, etc. Professional and technical personnel training was oriented towards enhancing scientific and technological innovation capabilities, with continuing education for professional and technical personnel as a focus, and facilitating the technological progress of the enterprise as the objective. This is achieved through the organization of continuing education for professionals in geophysical exploration, selection, and electrical mechanics, among others, and specialized lectures by expert committees from various disciplines including geophysical exploration, selection, and electrical mechanics. The training of vocational skills employees starts with the cultivation of gold craftsmen, emphasizes the improvement of skill quality, and aims to enhance technical abilities, through which the pre-employment training, continuing education, and self-assessment for skilled employees have been successfully accomplished.

2. *INTERIM DIVIDEND*

Pursuant to the resolution adopted at the second meeting of the seventh session of the Board of Directors, the Company is proposed to distribute profits based on the total share capital registered on the record date in respect of the implementation of equity distribution in the first half of 2025. A cash dividend of RMB1.80 per 10 Shares (tax inclusive) will be distributed to all Shareholders. As of 27 August 2025, based on the total share capital of 4,473,429,525 Shares, the proposed cash dividend amounts to RMB805,217,314.50. The cash dividend for the first half of 2025 represents 31.45% of the net profit attributable to ordinary shareholders of the listed company after deducting perpetual bond interest for the period. This profit distribution does not include bonus shares or capitalization of capital reserve.

If the total share capital changes before the record date for the equity distribution, the total dividend amount will remain unchanged, with corresponding adjustments to the distribution per share, and specific adjustments will be announced separately. This profit distribution plan falls within the authority delegated by the 2024 Annual General Meeting to the Board of Directors and is within the validity period. After review and approval by the Board of Directors of the Company, this profit distribution plan does not need to be submitted to the general meeting for deliberation.

For details of the interim dividend of H Shares and the specific arrangements for the payment of the interim dividend and the relevant timing for the closure of the register of members for the H Shares, the Company will make further announcement in due course.

It is expected that, the Company will pay the dividend of H Shares on or before 24 October 2025.

3. *MATERIAL CHANGE*

Save as disclosed herein, there has been no material change in respect of the future developments in the business of the Group since the publication of the Company's 2024 annual report.

4. *CORPORATE GOVERNANCE*

The Company, being a company listed in Hong Kong and Shanghai, strictly complies with the laws, regulations and regulatory documents of the places where its Shares are listed, and strives to protect and enhance its corporate image. The Company continues to improve its corporate governance structure in compliance with the PRC Company Law and the regulations and requirements of the CSRC, the SFC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

The Company is committed to the maintenance of good corporate governance practices. The Board is of the opinion that the Company had complied with all the applicable code provisions as set out in the CG Code during the Reporting Period.

5. *MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS*

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by Directors and Supervisors. Having made specific enquiries with all the Directors and Supervisors, each of the Directors and Supervisors has confirmed that he/she has complied with the Model Code during the Reporting Period.

6. *AUDIT COMMITTEE*

The audit committee currently comprises of two non-executive Directors, Mr. Han Yaodong and Mr. Liu Qin and three independent non-executive Directors, Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng. The chairman of the audit committee is Ms. Zhao Feng. The audit committee has reviewed the interim results of the Group for the six months ended 30 June 2025 and further discussed the auditing, internal control and financial reporting matters. The audit committee considers that the interim results of the Group for the six months ended 30 June 2025 are in compliance with the applicable accounting standards and relevant laws and regulations and have made sufficient disclosure.

7. *PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES*

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including sale of treasury share, if any) of the Company.

As at 30 June 2025, the Company did not hold any treasury shares.

8. *SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD*

In the view of the fact that the issuance of A Shares to target subscribers by the Company has not yet been completed, the Company proposed to extend the validity period of the Shareholders' resolution in relation to the issuance of A Shares to target subscribers and the validity period of the authorization by the Shareholders' meeting to the Board and its authorized persons with full discretion to deal with the relevant matters relating to the issuance of A Shares to target subscribers, in order to ensure the smooth progress of the relevant work. The Company convened the 73rd meeting of the sixth session of the Board and the 45th meeting of the sixth session of the Supervisory Committee on 30 June 2025, which considered and approved (1) the Resolution on the Extension of the Validity Period of the Shareholders' Resolution in relation to the Issuance of A Shares of the Company to Target Subscribers, which proposed to extend the validity period of the Shareholders' resolution in relation to the issuance of A Shares to target subscribers to 29 July 2026; and (2) the Resolution on the Extension of the Validity Period of the Authorization by the Shareholders' Meeting to the Board and its Authorized Persons with Full Discretion to Deal with the Relevant Matters relating to the Issuance of A Shares to Target Subscribers, which proposed to extend the validity period of the authorization by the Shareholders' meeting of the Company to the Board and its authorized persons with full discretion to handle matters related to the issuance of A Shares to target subscribers. As for the authorization, if it involves specific implementations after the approval of the issuance from the regulatory authority and the stock exchange, the validity period of the authorization shall be from the date of consideration and approval by the general meeting of the Company to the date of completion of such specific implementations, while the validity period of remaining authorization shall be extended to 29 July 2026. The relevant resolutions were considered and approved at the 2025 second extraordinary general meeting, the 2025 first A Shares class meeting and the 2025 first H Shares class meeting of the Company held on 24 July 2025. For details, please refer to the Company's announcement dated 24 July 2025 and circular dated 7 July 2025 published on the website of the Hong Kong Stock Exchange.

To improve the work efficiency, on 28 July 2025, the Board has passed a resolution to propose alignment in preparation of the financial reports in accordance with the China Accounting Standards for Business Enterprises and disclosing corresponding financial information by the Company commencing from 2025 interim financial report, and passed a resolution to terminate the re-appointment of SHINEWING (HK) CPA Limited (the “**SHINEWING (HK)**”) as the Company’s H-share financial report auditor, and ShineWing Certified Public Accountants (Special General Partnership) will be the sole audit firm of the Company to audit the financial reports of the Company in accordance with China Accounting Standards for Business Enterprises, and will concurrently undertake the responsibilities of the financial report audit firm for both A Shares and H Shares. The relevant resolution has been considered and approved at the 2025 third extraordinary general meeting of the Company held on 14 August 2025. For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, as well as the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

According to the Company Law of the People’s Republic of China implemented on 1 July 2024, the Transitional Arrangements for the Implementation of Supporting Rules and Regulations under the New Company Law and the Guidelines on the Articles of Association of Listed Companies (revised in March 2025) promulgated by China Securities Regulatory Commission, as well as the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (revised in April 2025) and the Self-regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 – Standardized Operation (revised in May 2025), along with other relevant laws, regulations, rules and other normative documents, and taking into account the actual situation of the Company, the Company intended to abolish the Supervisory Committee and amend the Articles of Association of Shandong Gold Mining Co., Ltd., the Rules of Procedure for the Shareholders’ General Meeting and the Rules of Procedure for the Board of Directors. The relevant resolutions have been considered and approved at the 2025 third extraordinary general meeting of the Company held on 14 August 2025. For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, as well as the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

The resolutions regarding the consideration and approval of the election of new session of the Board for election of the non-independent Directors to the seventh session of the Board of Directors and the resolutions regarding the consideration and approval of the election of new session of the Board for election of the independent Directors to the seventh session of the Board of Directors have been considered and approved by way of cumulative voting at the 2025 third extraordinary general meeting of the Company held on 14 August 2025 (the “EGM”). Mr. Han Yaodong, Mr. Liu Qin, Mr. Xiu Guolin, Mr. Xu Jianxin and Mr. Tang Qi were elected as non-independent Directors of the seventh session of the Board of Directors of the Company at the EGM, and Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng were elected as independent Directors of the seventh session of the Board of Directors of the Company at the EGM. In addition, according to the provisions of the Articles of Association, Ms. Liu Yanfen has been elected as an employee Director at the Company’s employees’ representative meeting held on 14 August 2025. The term of office is three years, from the date of the EGM to the expiration of the seventh session of the Board of Directors. The term of office of each Director is three years, from the date of the EGM to the expiration of the term of office of the seventh session of Board of Directors. After the conclusion of the EGM, Mr. Li Hang (Chairman, non-executive Director), Mr. Wang Shuhai (executive Director), Ms. Wang Xiaoling (non-executive Director) and Mr. Wang Yunmin (independent non-executive Director) retired as Directors of the sixth session of the Board of Directors. For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, as well as the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

9. *PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT*

This interim results announcement is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.sdhjgf.com.cn), and the 2025 interim report of the Company containing all the information required by the Hong Kong Listing Rules will be published on the above websites in due course.

DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following expressions have the meanings set out below:

“A Share(s)”	the domestic share(s) issued by the Company to domestic investors with a nominal value of RMB1.0 each, which are listed on the Shanghai Stock Exchange;
“Changtai Mining”	Inner Mongolia Shanjin Changtai Mining Co., Ltd. (formerly known as “Baotou Changtai Mining Co., Ltd.”);
“Articles of Association”	the articles of association of the Company;
“Board” or “Board of Directors”	the board of Directors of the Company;
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules;
“China” or the “PRC” or “State”	The People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan;
“CSRC”	China Securities Regulatory Commission;
“Director(s)”	the director(s) of the Company;
“Group” or “we”	the Company and all of its subsidiaries;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.0 each, which are listed on the Hong Kong Stock Exchange;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“IFRS”	the International Financial Reporting Standards, which include standards and interpretations promulgated by the International Accounting Standards Board (IASB);
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules;

“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time;
“Prospectus”	the prospectus issued by the Company in connection with the Hong Kong public offering dated 14 September 2018;
“Reporting Period”	the period from 1 January 2025 to 30 June 2025;
“RMB”	Renminbi, the lawful currency of China;
“SDG Group”	SDG Group Co. and all of its subsidiaries;
“SDG Group Co.”	Shandong Gold Group Co., Ltd. (山東黃金集團有限公司), a limited liability company incorporated in the PRC on 16 July 1996, the controlling Shareholder of the Company; as of the date of this announcement, SDG Group Co. is held as to 70%, 20% and 10% by the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government (山東省人民政府國有資產監督管理委員會), Shandong Guohui Investment Holding Group Co., Ltd.* (山東國惠投資控股集團有限公司) and Shandong Caixin Assets Management Co., Ltd.* (山東省財欣資產運營有限公司), respectively. Shandong Guohui Investment Holding Group Co., Ltd. is a limited liability company established in the PRC and is owned as to 100% by the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government;
“SDG Group Finance”	Shandong Gold Group Finance Co., Ltd. (山東黃金集團財務有限公司), a company incorporated in the PRC with limited liability on 17 July 2013, which is held as to 30% by the Company and 70% by SDG Group Co.;
“SDG Hong Kong”	Shandong Gold Mining (Hong Kong) Co., Limited (山東黃金礦業(香港)有限公司), incorporated in Hong Kong on 27 February 2017 with limited liability and a wholly-owned subsidiary of the Company;
“SFC”	The Securities and Futures Commission of Hong Kong;
“Shandong Gold” or “Company”	Shandong Gold Mining Co., Ltd. (山東黃金礦業股份有限公司), a joint stock company incorporated in the PRC under the laws of the People’s Republic of China with limited liability on 31 January 2000, the H Shares and A Shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 1787) and the Shanghai Stock Exchange (stock code: 600547) respectively;

“Shanghai Gold Exchange”	Shanghai Gold Exchange (上海黃金交易所);
“Shanghai Stock Exchange” or “SSE”	Shanghai Stock Exchange (上海證券交易所);
“Shanjin International”	Shanjin International Gold Co., Ltd. (山金國際黃金股份有限公司) (formerly “Yintai Gold Co., Ltd. (銀泰黃金股份有限公司)”), a joint stock company established in the PRC with limited liability on 18 June 1999, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000975), and a controlling subsidiary of the Company;
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Share(s) and our H Share(s);
“Shareholder(s)”	holder(s) of the Share(s);
“Supervisor(s)”	the supervisor(s) of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“USD”	United States dollar, the lawful currency of the United States; and
“Veladero Mine”	the Veladero Mine located in the high Andes Cordillera of central western Argentina, details of which are set out in “Appendix IV – Competent Person’s Report – RPA Report” to the Prospectus.

By order of the Board
Shandong Gold Mining Co., Ltd.
Han Yaodong
Chairman

Beijing, the PRC, 27 August 2025

As at the date of this announcement, the executive Directors are Mr. Xiu Guolin, Mr. Xu Jianxin, Mr. Tang Qi and Ms. Liu Yanfen; the non-executive Directors are Mr. Han Yaodong and Mr. Liu Qin; and the independent non-executive Directors are Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng.

* *For identification purposes only*